



MEDICAL CARE POLICY ADMINISTRATION

DEPARTMENT OF HEALTH AND MENTAL HYGIENE

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MARYLAND MEDICAL ASSISTANCE PROGRAM

**Managed Care Organization Transmittal No. 14**

June 9, 1999

Managed Care Organizations

FROM:

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Director

**Instruction from the Health Care Financing Administration Regarding Coverage of Medical Equipment under the Medicaid Program**

The Health Care Financing Administration (HCFA) has issued guidance to the states regarding coverage of Durable Medical Equipment (DME) under the Medicaid Program. This guideline revises the way a Medicaid Program may use a list to determine coverage of Durable Medical Equipment for Medicaid beneficiaries.

HCFA will continue to allow the Maryland Medicaid Program, and the Managed Care Organizations (MCOs) which participate in HealthChoice, to develop and use a list of pre-approved items of Durable Medical Equipment as an administrative convenience. Such a list eliminates the need to administer an extensive application process for each medical equipment request submitted. However, HCFA has stated that a Durable Medical Equipment policy, which provides no reasonable and meaningful procedure for requesting items which do not appear on a State or MCO pre-approved list, is inconsistent with federal law. **Therefore, a beneficiary's request for Durable Medical Equipment may not be denied based solely on whether or not that particular piece of Durable Medical Equipment is included in the list. Instead, a process for seeking modifications or exceptions to the list must be made available to all beneficiaries and may not be limited to sub-classes of the population (i.e. beneficiaries under the age of 21).** The State or MCO will then process individually each request for modification or exception to the list, taking into account medical necessity.

If you have any questions regarding the new policy outlined in this transmittal, or if you would like further explanation of HCFA's transmittal to the Department, please contact the Medical Care Policy Administration at (410) 767-1482.

Toll-Free: 1-800-685-5861

Persons with a hearing or speech impairment -- call Maryland Relay Service at 800-735-2258

